

REFERENCE TITLE: digital Arizona infrastructure office

State of Arizona
Senate
Fiftieth Legislature
Second Regular Session
2012

SB 1403

Introduced by
Senators Driggs: Allen, Griffin, McComish, Nelson; Representatives Brophy
McGee, Forese, Jones, Pierce

AN ACT

AMENDING TITLE 41, CHAPTER 4, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 4; AMENDING SECTION 41-3016.06, ARIZONA REVISED STATUTES; RELATING TO THE DIGITAL ARIZONA INFRASTRUCTURE OFFICE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

SB 1403—As Introduced ¹	BLACK TEXT
ADOT Changes	BLUE TEXT
County Supervisors Association Changes	RED TEXT
SRP Changes (Including inputs from Water, Electric, and Gas Utilities)	GREEN TEXT
CenturyLink Changes	ORANGE TEXT
COX Changes (Including inputs from AZ-NM Cable Association)	PURPLE TEXT

¹ Line Numbers are initial Line Numbers in SB 1403, as introduced.

1 Be it enacted by the Legislature of the State of Arizona:

2 **Section 1. Title 41, chapter 4, Arizona Revised Statutes, is amended**

3 by adding article 4, to read:

4 **ARTICLE 4. DIGITAL ARIZONA INFRASTRUCTURE OFFICE**

5 **41-751. Definitions**

6 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

7 1. "BOARD" MEANS THE BOARD OF DIRECTORS OF THE DIGITAL ARIZONA
8 INFRASTRUCTURE OFFICE ESTABLISHED BY THIS ARTICLE.

9 2. "BROADBAND INFRASTRUCTURE"

10 ~~(a)~~ MEANS FACILITIES AND EQUIPMENT, INCLUDING CABLES, FIBERS,
11 CONDUITS, DUCTS, **POLES**, TOWERS, CABINETS, VAULTS, MANHOLES, HANDHOLES AND
12 OTHER ASSOCIATED EQUIPMENT AND APPURTENANCES AND RELATED RIGHTS-OF-WAY THAT
13 ARE USED DIRECTLY OR INDIRECTLY IN PROVIDING BROADBAND SERVICES,
14 TELECOMMUNICATIONS, TELECOMMUNICATIONS SERVICES OR OTHER WIRE AND WIRELESS
15 COMMUNICATIONS.

16 ~~(b) INCLUDES CONDUIT, INNERDUCT AND MICRODUCT FOR FIBER OPTIC CABLES
17 THAT ARE INSTALLED WITHIN A DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY UNDER
18 ITS COVERED RURAL HIGHWAY CONSTRUCTION PROJECTS.~~

19 3. "BROADBAND INFRASTRUCTURE PROJECT" MEANS CONSTRUCTING, ACQUIRING,
20 PROVIDING, DEVELOPING, OPERATING, MAINTAINING, LEASING OR IMPROVING BROADBAND
21 INFRASTRUCTURE FOR PROVIDING BROADBAND SERVICE IN UNSERVED, UNDERSERVED AND
22 RURAL AREAS OF THIS STATE.

23 4. "BROADBAND PROVIDER" MEANS ANY ENTITY THAT PROVIDES FOR SALE OR
24 RESALE OF WHOLESALE OR RETAIL BROADBAND SERVICES IN THIS STATE AND IS
25 RECOGNIZED AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER ~~OR AS A QUALIFIED~~
26 ~~BROADBAND PROVIDER~~ BY THE ARIZONA CORPORATION COMMISSION OR MEETS FEDERAL
27 COMMUNICATIONS COMMISSION AND INDUSTRY CARRIER CLASS SERVICE GUIDELINES **[ADD: OR**
28 **IS A POLITICAL SUBDIVISION THAT HAS STATUTORY AUTHORITY TO PROVIDE COMMUNICATIONS**
29 **SERVICES]**.

30 5. "BROADBAND SERVICE"

31 (a) MEANS PROVIDING ACCESS AND TRANSPORT TO THE INTERNET, COMPUTER
32 PROCESSING, INFORMATION STORAGE OR PROTOCOL CONVERSION AT A RATE OF AT LEAST
33 ONE MEGABIT PER SECOND IN EITHER THE UPSTREAM OR DOWNSTREAM DIRECTION AS
34 ESTABLISHED BY THE FEDERAL COMMUNICATIONS COMMISSION.

35 (b) DOES NOT INCLUDE INFORMATION CONTENT OR SERVICE APPLICATIONS
36 PROVIDED OVER THE ACCESS SERVICE OR ANY INTRASTATE SERVICE THAT WAS SUBJECT
37 TO A TARIFF AS OF JANUARY 1, 2012.

38 6. "COST-BASED RATE" MEANS A LEASE RATE THAT IS ONLY COMPRISED OF **[ALL]**
39 DIRECT AND ASSOCIATED INDIRECT COSTS OF OBTAINING AND MAINTAINING THE
40 ASSOCIATED RIGHT-OF-WAY, BROADBAND CONDUIT AND INNERDUCT OR MICRODUCT.

41 ~~7. "COVERED RURAL HIGHWAY CONSTRUCTION PROJECT"~~

42 ~~(a) MEANS A PROJECT TO CONSTRUCT A NEW RURAL HIGHWAY OR TO CONSTRUCT
43 OR RELOCATE AN ADDITIONAL LANE OR SHOULDER FOR AN EXISTING RURAL HIGHWAY THAT
44 IS STARTED AFTER THE EFFECTIVE DATE OF THIS SECTION AND THAT RECEIVES STATE
45 OR FEDERAL FUNDING.~~

46 ~~(b) INCLUDES BROADBAND CONDUIT PROJECTS INITIATED SEPARATELY FROM
47 OTHER HIGHWAY CONSTRUCTION, WHERE THE PROJECT CONNECTS A DISCONTINUOUS
48 SEGMENT OF BROADBAND CONDUIT TO ANOTHER SEGMENT OF BROADBAND CONDUIT OR IS A~~

~~1 LAST RESORT TO FACILITATE CONNECTING TO INTERNET PEERING POINTS OR EXCHANGE
2 POINTS AFTER THE BROADBAND PROVIDER HAS DETERMINED NO EXISTING BROADBAND
3 PROVIDERS CAN PROVIDE NECESSARY CONDUIT.~~

4 **78.** "GOVERNMENTAL ENTITY" MEANS A COUNTY OR SPECIAL TAXING DISTRICT
5 ORGANIZED PURSUANT TO TITLE 48.

6 **89.** "OFFICE" MEANS THE DIGITAL ARIZONA INFRASTRUCTURE OFFICE
7 ESTABLISHED BY THIS ARTICLE.

8 **940.** "RIGHT-OF-WAY"

9 (a) MEANS ANY AREA ON, BELOW OR ABOVE A PUBLIC HIGHWAY, ROAD, STREET,
10 ALLEY, BUILDING, PUBLIC EASEMENT OR OTHER CORRIDOR OR SPACE DEDICATED FOR
11 PUBLIC TRAVEL OR USE, THAT IS SUBJECT TO THE JURISDICTION OR CONTROL OF A
12 UNIT OF GOVERNMENT.

13 (b) DOES NOT INCLUDE MUNICIPAL AUTHORITY WITH RESPECT TO MUNICIPAL
14 RIGHTS-OF-WAY, EASEMENTS, PERMITTING, LICENSING, REGULATIONS, INSPECTIONS OR
15 OTHER LEGITIMATE FUNCTIONS AND RESPONSIBILITIES OF INCORPORATED COMMUNITIES. **[ADD:
16 DOES NOT INCLUDE RIGHTS-OF-WAY OF POWER, WATER OR GAS UTILITY ENTITIES.]**

17 **1044.** "RURAL AREA" MEANS AN AREA THAT IS LOCATED EITHER:

18 (a) OUTSIDE THE MUNICIPAL BOUNDARY OF ANY CITY OR TOWN IN THIS STATE
19 WITH A POPULATION OF TEN THOUSAND OR MORE PERSONS.

20 (b) OUTSIDE FEDERAL METROPOLITAN AND MICROPOLITAN STATISTICAL AREAS.

21 **1142.** "UNSERVED AREA" MEANS AN AREA THAT MEETS ALL OF THE FOLLOWING:

22 (a) IS OUTSIDE FEDERAL METROPOLITAN AND MICROPOLITAN STATISTICAL
23 AREAS.

24 (b) IF IN AN INCORPORATED CITY OR TOWN, THE POPULATION OF THAT CITY OR
25 TOWN IS TEN THOUSAND PERSONS OR LESS.

26 (c) IS NOT SERVED BY ANY FIXED BROADBAND PROVIDER PROVIDING BROADBAND
27 SERVICES IN EXCESS OF THE MINIMUM SPEEDS ADOPTED IN FEDERAL COMMUNICATIONS
28 COMMISSION PUBLICATION, 11-161, PARAGRAPH 146, 768 Kbps DOWNSTREAM AND 200
29 Kbps UPSTREAM.

**30 41-752. Digital Arizona infrastructure office; powers and
31 duties**

32 A. THE DIGITAL ARIZONA INFRASTRUCTURE OFFICE IS ESTABLISHED IN THE
33 DEPARTMENT OF ADMINISTRATION. THE OFFICE IN CARRYING OUT THE PURPOSES OF
34 THIS ARTICLE IS NOT REQUIRED TO PAY TAXES OR ASSESSMENTS ON ANY PROPERTY,
35 ACTIVITIES OR MONIES DERIVED FROM THE ACTIVITIES OF THE OFFICE.

36 B. THE DEPARTMENT OF ADMINISTRATION SHALL PROVIDE GENERAL
37 ADMINISTRATIVE SUPPORT, EQUIPMENT AND OFFICE AND MEETING SPACE FOR THE
38 OFFICE. THE DEPARTMENT ALSO SHALL PROVIDE STAFF SUPPORT FOR THE
39 ADMINISTRATIVE AND TECHNICAL REQUIREMENTS OF THE OFFICE. THE OFFICE SHALL
40 REIMBURSE THE DEPARTMENT FOR ALL DIRECT COSTS INCURRED UNDER THIS SUBSECTION.

41 ~~C. THE OFFICE SHALL HAVE AN OFFICIAL SEAL THAT IS JUDICIALLY NOTICED.~~

42 D. AS NECESSARY TO CARRY OUT ITS RESPONSIBILITIES UNDER THIS ARTICLE,
43 THE OFFICE, THROUGH ITS BOARD, MAY:

44 ~~1. SUE AND BE SUED.~~

45 **12.** ENTER INTO CONTRACTS.

46 **23.** EMPLOY, RETAIN OR CONTRACT FOR PROFESSIONAL ASSISTANCE.

34. ADOPT AND APPROVE ALL POLICIES AND PROCEDURES OF THE OFFICE.

1 **45. LEASE [ADD: COORDINATE LEASING]** BROADBAND INFRASTRUCTURE UNDER THE
JURISDICTION OF THE OFFICE

2 AT COST-BASED RATES TO BROADBAND PROVIDERS.

3 **41-753. Board of directors; membership; conflicts of interest;**

4 **advisory council**

5 A. THE OFFICE SHALL BE GOVERNED BY A BOARD OF DIRECTORS CONSISTING OF
6 THE FOLLOWING MEMBERS:

7 1. THE STATE CHIEF INFORMATION OFFICER OR THE OFFICER'S DESIGNEE, WHO
8 SHALL SERVE AS THE CHAIRPERSON OF THE BOARD.

9 2. A SENIOR MEMBER OF THE ARIZONA COMMERCE AUTHORITY OR THE MEMBER'S
10 DESIGNEE, WHO IS APPOINTED BY THE ARIZONA COMMERCE AUTHORITY.

11 3. FIVE MEMBERS WHO ARE APPOINTED BY THE GOVERNOR PURSUANT TO SECTION
12 38-211 TO STAGGERED FIVE-YEAR TERMS OF OFFICE, AT LEAST ONE OF WHOM MUST BE
13 AN ENROLLED MEMBER OF AN INDIAN TRIBE IN THIS STATE AND AT LEAST ONE OF WHOM
14 MUST BE AN OFFICIAL OF A COUNTY.

15 B. BOARD MEMBERS WHO ARE APPOINTED PURSUANT TO SUBSECTION A, PARAGRAPH
16 3 MAY NOT SERVE MORE THAN TWO CONSECUTIVE FIVE-YEAR TERMS, EXCEPT THAT A
17 PARTIAL TERM OF LESS THAN THREE YEARS DOES NOT COUNT TOWARD THE TWO-TERM
18 LIMITATION. BOARD MEMBERS ARE NOT ELIGIBLE TO RECEIVE COMPENSATION FOR THEIR
19 SERVICES ON THE BOARD BUT ARE ELIGIBLE TO RECEIVE REIMBURSEMENT FOR EXPENSES
20 PURSUANT TO TITLE 38, CHAPTER 4, ARTICLE 2.

21 C. BOARD MEMBERS ARE PUBLIC OFFICERS FOR THE PURPOSES OF TITLE 38,
22 CHAPTER 3, ARTICLE 8, RELATING TO CONFLICT OF INTEREST. BOARD MEMBERS,
23 EMPLOYEES OF THE OFFICE AND PERSONS RETAINED OR UNDER CONTRACT WITH THE
24 OFFICE MAY NOT PARTICIPATE IN ANY DIRECT DISCUSSIONS OR ACTIONS RELATED TO
25 ANY PROJECT FINANCED UNDER THIS ARTICLE IN WHICH THE PERSON HAS ANY DIRECT
26 PERSONAL FINANCIAL INTEREST.

27 D. MEETINGS OF THE BOARD ARE SUBJECT TO THE REQUIREMENTS OF TITLE 38,
28 CHAPTER 3, ARTICLE 3.1.

29 E. THE BOARD SHALL APPOINT A DIGITAL ARIZONA COUNCIL THAT WILL SERVE
30 AS AN ADVISORY COUNCIL TO THE OFFICE. THE DIGITAL ARIZONA COUNCIL SHALL BE
31 REPRESENTATIVE OF BROADBAND INTERESTS IN THE BROADBAND PROVIDER, GOVERNMENT
32 AND USER COMMUNITIES. THE CHAIRPERSON OF THE BOARD MAY APPOINT OTHER PERSONS
33 TO ACT IN AN ADVISORY CAPACITY TO ASSIST THE BOARD AS NECESSARY.

34 **41-754. Powers and duties; rule making; fee authority**

35 A. THE OFFICE, THROUGH ITS BOARD, MAY:

36 1. APPLY FOR, ACCEPT AND ADMINISTER GRANTS AND OTHER FINANCIAL
37 ASSISTANCE FROM THE UNITED STATES GOVERNMENT AND FROM ALL OTHER PUBLIC AND
38 PRIVATE SOURCES TO CARRY OUT ITS RESPONSIBILITIES UNDER THIS ARTICLE.

39 2. RECOMMEND GUIDELINES AND BEST PRACTICES UNDER APPLICABLE LAW FOR
40 BROADBAND INFRASTRUCTURE, PERMITS, RIGHTS-OF-WAY AND EASEMENTS RELATING TO
41 GOVERNMENTAL ENTITIES AND PRIVATE RIGHTS-OF-WAY HOLDERS.

42 3. RECOMMEND GUIDELINES AND BEST PRACTICES UNDER APPLICABLE LAW FOR
43 FAIRLY SHARING AND PRICING BROADBAND INFRASTRUCTURE ENABLED BY THE USE OF
44 PUBLIC RIGHTS-OF-WAY RELATING TO GOVERNMENTAL ENTITIES AND PRIVATE
45 RIGHTS-OF-WAY HOLDERS.

1 4. PROVIDE NON-BINDING MEDIATION SERVICE TO HELP RESOLVE DISPUTES
2 RELATING TO BROADBAND INFRASTRUCTURE, PERMITS, RIGHTS-OF-WAY OR EASEMENTS
3 AMONG VOLUNTARILY PARTICIPATING BROADBAND PROVIDERS, GOVERNMENTAL ENTITIES
4 AND PRIVATE RIGHTS-OF-WAY HOLDERS. THE OFFICE SHALL ESTABLISH ALTERNATIVE
5 DISPUTE RESOLUTION PROCEDURES FOR MEDIATING, ARBITRATING AND RESOLVING
6 DISPUTES UNDER THIS ARTICLE.

7 B. THE BOARD SHALL:

8 1. DEVELOP, PRIORITIZE AND ADOPT SELECTION CRITERIA FOR BROADBAND
9 INFRASTRUCTURE PROJECTS PURSUANT TO THIS ARTICLE AND WITH CONSIDERATION FOR
10 RECOMMENDATIONS SUBMITTED BY GOVERNMENTAL AND EDUCATIONAL ENTITIES,
11 TELECOMMUNICATIONS BUSINESSES, INFORMATION SERVICES, MEDICAL SERVICES AND
12 STATEWIDE TRADE AND BUSINESS ORGANIZATIONS.

13 2. IMPOSE ADMINISTRATIVE FEES THAT ARE NECESSARY TO PROVIDE SERVICES
14 UNDER THIS ARTICLE, INCLUDING APPLICATION FEES. THE BOARD SHALL NOT COLLECT
15 ANY ADMINISTRATIVE FEES FROM MUNICIPAL OR COUNTY GOVERNMENTS UNLESS THERE IS
16 A SPECIFIC AGREEMENT WITH THAT MUNICIPAL OR COUNTY GOVERNMENT. ALL MONIES
17 COLLECTED UNDER THIS ARTICLE SHALL BE DEPOSITED IN THE DIGITAL ARIZONA
18 INFRASTRUCTURE FUND ESTABLISHED BY SECTION 41-756.

19 3. ADOPT ADMINISTRATIVE RULES PURSUANT TO TITLE 41, CHAPTER 6 TO CARRY
20 OUT THE REQUIREMENTS OF THIS ARTICLE.

21 4. ON OR BEFORE JUNE 30 OF EACH YEAR, HOLD A PUBLIC HEARING TO ADOPT A
22 BUDGET FOR THE FOLLOWING FISCAL YEAR.

23 **41-755. State rights-of-way and easements; access; application**
24 **process**

25 A. THE OFFICE, THROUGH ITS BOARD, SHALL ADOPT POLICIES FOR ~~THE~~ [ADD: COORDINATING
26 WITH STATE AGENCIES FOR THE] USE OF
27 STATE-OWNED RIGHTS-OF-WAY FOR BROADBAND INFRASTRUCTURE REQUIREMENTS.

28 ~~B. ALL STATE AGENCIES SHALL ALLOW THE USE OF ANY RIGHTS-OF-WAY AND~~
29 ~~EASEMENTS IT CONTROLS AT COST, INCLUDING ADMINISTRATIVE COST RECOVERY, FOR~~
30 ~~THE INSTALLATION OF BROADBAND INFRASTRUCTURE FOR SERVING UNSERVED AND~~
31 ~~UNDERSERVED AREAS OF THIS STATE AS DETERMINED BY THE OFFICE. THIS SUBSECTION~~
32 ~~DOES NOT APPLY TO STATE TRUST LAND.~~

[ADD: THE OFFICE SHALL PROVIDE COMPREHENSIVE PLANNING OF BROADBAND INFRASTRUCTURE
FOR SERVING UNSERVED AND UNDERSERVED AREAS OF THIS STATE AS DETERMINED BY THE
OFFICE.]

32 C. THE OFFICE SHALL:

33 1. ESTABLISH FORMS FOR BROADBAND PROVIDERS TO APPLY FOR ACCESS TO AND
34 LEASING OF BROADBAND INFRASTRUCTURE, PERMITS, RIGHTS-OF-WAY AND EASEMENTS
35 UNDER THE JURISDICTION OF THE OFFICE.

36 2. ESTABLISH A PROCEDURE FOR RECEIVING, REVIEWING, EVALUATING AND
37 APPROVING OR DISAPPROVING ON ITS MERITS EACH ADMINISTRATIVELY COMPLETE AND
38 CORRECT APPLICATION FOR ACCESS TO BROADBAND INFRASTRUCTURE, PERMITS,
39 RIGHTS-OF-WAY AND EASEMENTS UNDER THE JURISDICTION OF THE OFFICE.

40 D. THE BOARD SHALL:

41 1. ADOPT ~~RULES~~ [ADD: POLICIES AND PROCEDURES] TO ESTABLISH CRITERIA BY WHICH
42 ACCESS TO BROADBAND

43 INFRASTRUCTURE, PERMITS, RIGHTS-OF-WAY AND EASEMENTS [UNDER THE JURISDICTION OF
44 THE OFFICE] WILL BE DETERMINED. THE

45 CRITERIA MUST INCLUDE AN ASSESSMENT OF THE TECHNICAL AND FINANCIAL

46 APPLICATIONS ON A FAIR AND EQUITABLE BASIS [ADD: AND MUST PROVIDE AT LEAST ONE

47 PROVIDER-SEPARATED CONDUIT OR MICRODUCT AND SECURABLE INGRESS AND EGRESS MEANS
48 AT THE REQUEST OF THE PROVIDER.]

1 2. ADOPT **RULES [ADD: POLICIES AND PROCEDURES]** FOR ESTABLISHING PRIORITY OF
APPLICATIONS FOR ACCESS TO
2 BROADBAND INFRASTRUCTURE, PERMITS, RIGHTS-OF-WAY AND EASEMENTS UNDER THE
3 JURISDICTION OF THE OFFICE.

4 3. APPROVE OR DISAPPROVE APPLICATIONS FOR BROADBAND INFRASTRUCTURE,
5 PERMITS, RIGHTS-OF-WAY AND EASEMENTS AND NOTIFY THE APPLICANT OF THE ACTION
6 WITHIN A REASONABLE PERIOD AFTER THE DATE OF THE APPLICATION.

7 4. DETERMINE ORDER AND PRIORITY OF THE APPLICATIONS UNDER THIS ARTICLE
8 BASED ON MERITS OF THE APPLICATIONS.

9 E. IF AN APPLICATION IS APPROVED, THE BOARD MAY CONDITION THE APPROVAL
10 ON ASSURANCES IT CONSIDERS NECESSARY FOR ENSURING THAT THE BROADBAND
11 INFRASTRUCTURE, PERMITS, RIGHTS-OF-WAY OR EASEMENTS WILL BE USED CONSISTENT
12 WITH THE APPLICABLE LAW AND TERMS OF THE APPROVED APPLICATION.

[SEE BELOW, STARTING AT LINE ITEM 26, LANGUAGE THAT WAS IN LINE ITEMS 13-16.]

13 F. NOTHING IN THIS ARTICLE DIMINISHES, IMPINGES ON OR OTHERWISE
14 AFFECTS EXISTING **[ADD: STATE OR]** MUNICIPAL AUTHORITY **[ADD: OR COUNTY AUTHORITY]** WITH
RESPECT TO RIGHTS-OF-WAY,
15 EASEMENTS, PERMITTING, LICENSING, REGULATIONS, INSPECTIONS OR OTHER
16 LEGITIMATE FUNCTIONS AND RESPONSIBILITIES OF **[ADD: THE STATE AND]** INCORPORATED
COMMUNITIES **[ADD: OR COUNTIES]**.

17 41-756. Digital Arizona infrastructure fund; exemption

18 A. THE DIGITAL ARIZONA INFRASTRUCTURE FUND IS ESTABLISHED CONSISTING
19 OF THE FEES COLLECTED UNDER THIS ARTICLE. THE DIGITAL ARIZONA INFRASTRUCTURE
20 OFFICE SHALL ADMINISTER THE FUND. MONIES IN THE FUND ARE CONTINUOUSLY
21 APPROPRIATED.

22 B. ON NOTICE FROM THE OFFICE, THE STATE TREASURER SHALL INVEST AND
23 DIVEST MONIES IN THE FUND AS PROVIDED BY SECTION 35-313, AND MONIES EARNED
24 FROM INVESTMENT SHALL BE CREDITED TO THE FUND.

25 C. MONIES IN THE FUND ARE EXEMPT FROM THE PROVISIONS OF SECTION 35-190
26 RELATING TO LAPSING OF APPROPRIATIONS.

[ADD: 41-757. APPLICABILITY]

A. [ADD: THE SCOPE OF THE OFFICE OVER RIGHTS-OF-WAY IS LIMITED TO STATE OWNED RIGHTS-OF-WAY.]

B. [THIS ARTICLE DOES NOT APPLY TO THE DEPARTMENT OF TRANSPORTATION OR ANY RIGHTS-OF-WAY OWNED LICENSED OR LEASED BY THE DEPARTMENT OF TRANSPORTATION.]

C. 13 F. NOTHING IN THIS ARTICLE DIMINISHES, IMPINGES ON OR OTHERWISE
14 AFFECTS EXISTING **[ADD: STATE OR]** MUNICIPAL AUTHORITY **[ADD: OR COUNTY AUTHORITY]** WITH
RESPECT TO RIGHTS-OF-WAY,
15 EASEMENTS, PERMITTING, LICENSING, REGULATIONS, INSPECTIONS OR OTHER
16 LEGITIMATE FUNCTIONS AND RESPONSIBILITIES OF **[ADD: THE STATE OR]** INCORPORATED
COMMUNITIES **[ADD: OR COUNTIES]**.

D. [ADD: NOTHING IN THIS ARTICLE DIMINISHES EXISTING DEPARTMENT OF STATE LAND JURISDICTION OVER STATE TRUST LANDS.]

27 Sec. 2. Section 41-3016.06, Arizona Revised Statutes, is amended to
28 read:

29 41-3016.06. Department of administration; termination July 1,
30 2016

31 A. The department of administration terminates on July 1, 2016.

32 B. Title 41, chapter 4, articles 1, 2, 3, 4, 5 and 7 and chapter 32
33 are repealed on January 1, 2017.

34 Sec. 3. Initial terms of members of the digital Arizona

35 infrastructure office board of directors

36 A. Notwithstanding section 41-753, Arizona Revised Statutes, as added
37 by this act, the initial terms of the members of the digital Arizona
38 infrastructure office board of directors who are appointed pursuant to
39 section 41-753, subsection A, paragraph 3, Arizona Revised Statutes, as added
40 by this act, are:

41 1. Two terms ending January 1, 2015.

42 2. Three terms ending January 1, 2017.

43 B. The governor shall make all subsequent appointments as prescribed
44 by statute.